P-3008/CI-91-1028; P-3008/CI-92-1261 ORDER RETAINING CURRENT SURCHARGE LEVEL, ACCEPTING SIXTH ANNUAL REPORT, AND REQUIRING FURTHER FILINGS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Don Storm Chair
Tom Burton Commissioner
Cynthia A. Kitlinski Commissioner
Dee Knaak Commissioner
Norma McKanna Commissioner

In the Matter of Annual Consideration of Possible Changes in the Telecommunications Access for Communication-Impaired Persons Surcharge

In the Matter of Commission
Recommendations to 1993
Legislature On Future Provision
and Maintenance of
Telecommunications Services to
Communications-Impaired Persons

ISSUE DATE: February 26, 1993

DOCKET NO. P-3008/CI-91-1028

DOCKET NO. P-3008/CI-92-1261

ORDER RETAINING CURRENT SURCHARGE LEVEL, ACCEPTING SIXTH ANNUAL REPORT, AND REQUIRING FURTHER FILINGS

PROCEDURAL HISTORY

I. Factual Background

In 1987 the Minnesota Legislature established the TACIP (Telecommunication Access for Communication-Impaired Persons) Board to make Minnesota's telecommunications system fully accessible to persons with communication impairments. The Board was to distribute specialized telecommunications equipment to eligible persons with communication impairments and to create and maintain a state-wide message relay service. Minn. Stat. §§ 237.50-237.56 (1992). The TACIP program was to be funded through a surcharge on all telephone access lines.

The statute required the Commission to review and approve the Board's plans to initiate service, to determine annually the amount of the surcharge, to monitor the program and recommend necessary changes to the legislature, to receive annual reports from the Board on the program's operation, and to make a final recommendation to the legislature, on or before February 1, 1993, regarding what form the program should take in the future.

The message relay service has been operating since March 1, 1989, funded by revenues from a Commission-approved ten cent surcharge on all access lines.

On December 31, 1992 the TACIP Board filed its sixth annual report on program operations, including its recommendation on the access line surcharge. The Board recommended that the surcharge remain at its present level of ten cents. The report also included an update on the Board's efforts to implement a billing and collection system for intrastate and incoming interstate toll calls placed through the message relay service. The update was required under the 1992 Order accepting the Board's annual report and establishing the amount of the 1992 surcharge. Docket No. P-3008/M-91-1028.

On February 23, 1993 the Commission met to review the Board's sixth annual report and to determine the TACIP surcharge for the next year.

FINDINGS AND CONCLUSIONS

II. Surcharge Level

The Commission has reviewed the report of the Board, including its expense and revenue figures for past years and projections of future expenses and revenues. Based on the information provided by the Board, the Commission concludes that the access line surcharge should remain at ten cents for the next year.

III. Billing and Collection of Intrastate and Incoming Interstate Toll Charges

One of the recurring technical difficulties faced by the TACIP Board has been finding a billing and collection system for intrastate 1 and incoming interstate toll calls. During TACIP's early operations, every billing system examined by the Board cost more to use than the amount of toll charges it would collect. The Board elected to absorb these charges rather than incur additional expense to collect them. The Commission has required regular reports on Board efforts to find a workable billing and collection system since late 1990.

TACIP's Program Administrator now reports that the Board expects to have a permanent billing and collection system on line before the end of the year, with an interim system operational within

¹ The intrastate toll charges at issue are those which would have been incurred had the call been placed directly, instead of through the message relay service. The Board properly absorbs intrastate toll charges incurred to route local calls through the message relay service in St. Paul.

the next few months. The permanent system would be developed in conjunction with the Minnesota Department of Administration; interim services would be provided by MCI.

The Commission is gratified by these developments, but will continue to require periodic filings on the billing and collection issue to ensure prompt notification of any unforeseen difficulties. In its report to the Legislature, the Commission emphasized the need for a workable billing and collection system and recommended a January 31, 1994 deadline. The Commission continues to believe that basic fairness requires prompt development and implementation of such a system.

ORDER

- 1. The Commission accepts the annual report of the TACIP Board, filed December 31, 1992, as in conformity with statutory requirements.
- 2. The TACIP access line surcharge shall remain at ten cents per access line until further Commission action.
- 3. The 1991 TACIP proceeding, docket number P-3008/CI-91-1028, is hereby closed. The Commission will continue to monitor the development of a billing and collection system in the P-3008/CI-92-1261 docket.
- 4. The TACIP Board shall implement a billing and collection system for intrastate and incoming interstate toll calls on or before January 31, 1994.
- 5. The TACIP Board shall file quarterly reports on its progress in developing and implementing a billing and collection system for intrastate and incoming interstate toll calls. Those reports shall be filed on March 31, June 30, September 30, and December 31, 1993.
- 6. The initial quarterly report shall include a description of Board plans to implement interim and permanent billing and collection systems, with a projected implementation schedule for each.
- 7. Subsequent quarterly reports shall detail and explain any change(s) in the implementation schedules filed with the initial report. The September report shall detail plans for testing the system before implementation. The December report shall include copies of all contracts between the Board and vendors involved in providing the billing and collection service.

- 8. On or before February 10, 1994 the Board shall file a report confirming that the billing and collection system is operational and identifying any system modifications under consideration.
- 9. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster Executive Secretary

(S E A L)